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Existing Home Sales Post Biggest Increase in Nearly Three Years

Redfin reports existing home sales rose 1.6% month over month in October to a seasonally adjusted annual rate of 4,179,346, and are on track to finish this year higher than last year

SEATTLE--(BUSINESS WIRE)-- (NASDAQ: RDFN) —Existing home sales rose 1.6% month over month in October—the biggest gain since January 2022—to a seasonally adjusted annual rate of 4,179,346. That's according to a new [report](#) from Redfin ([redfin.com](https://www.redfin.com)), the technology-powered real estate brokerage. They climbed 1.7% year over year—the first annual increase since November 2021—and are on track to finish the year slightly higher than they finished last year (4,093,102).

Overall home sales, which include sales of both existing and newly-built homes, also posted a notable increase. They rose 1.6% month over month and 3.4% year over year to the highest level in over a year and a half on a seasonally adjusted basis.

The median home sale price increased 5.2% year over year to \$435,313 in October—the biggest annual gain in six months.

Home sales jumped in October because mortgage rates had just hit the lowest level in two years, giving buyers more purchasing power. The Federal Reserve had also just made news by cutting its benchmark interest rate and outlining plans for future cuts. Redfin agents say some buyers entered the market because they assumed the September 18 decision would cause mortgage rates to plunge, though by this point, most of the decline had already happened.

The average interest rate on a 30-year-fixed mortgage bottomed at 6.08% during the week ending September 26. Noticing that rates were falling, many Americans started [touring](#) homes and making offers in September, which is why pending home sales [jumped](#) that month. Many of those pending transactions were finalized in October, fueling last month's rise in home sales. But the rise in pending sales didn't last into October.

Pending Sales Dipped in October Amid Jump in Mortgage Rates, Election Uncertainty

Pending sales fell 1.1% month over month on a seasonally adjusted basis in October. That's largely because mortgage rates shot up last month, [erasing](#) much of the newfound purchasing power buyers gained over the summer. Mortgage rates now sit at 6.78%—near the highest level since July. Demand was also likely sluggish last month because many prospective buyers decided to hold off until after the presidential election, and others were recovering from hurricanes in the Southeast.

Some homebuyers got cold feet as economic uncertainty and election jitters gripped the country; roughly 53,000 home purchases were canceled in October, equal to 15.5% of

homes that went under contract last month. That's the highest percentage in nearly a year.

"Homebuyers came off the sidelines when mortgage rates dropped, but now that rates spiked back up, things have slowed down again," said [Stayce Mayfield](#), a [Redfin Premier](#) real estate agent in St. Louis. "That's partly because not all buyers who came off the sidelines actually locked in a rate, so now they're saying, 'Well wait, now I'm getting quoted 7% when I thought I was going to get 6%.' Sellers are grappling with the same issue; those who locked in low rates during the pandemic and were considering selling and buying a new home are now wondering if they missed the boat."

The mortgage-rate rollercoaster isn't expected to end anytime soon. Rates will continue to see-saw as investors try to suss out the impact of a Trump presidency, and they'll likely stay elevated if President Trump moves forward with higher tariffs and tax cuts, according to Redfin Economics Research Lead Chen Zhao.

But There Are Early Signs That Demand Is Recovering Post-Election

Redfin is seeing early signs that demand has begun to recover now that the election is over. Demand from homebuyers requesting service through Redfin's site was about [25%](#) higher this past weekend than the same weekend last year—the largest year-over-year gain since the downturn began in 2022.

While pending sales fell from a month earlier in October, they rose 3.5% from a year earlier—the third consecutive year-over-year gain. That, along with the uptick in existing home sales, is what indicates that existing home sales are on pace to end this year higher than last year.

The Typical Home Took 41 Days to Sell—the Slowest October Pace in Five Years

The typical home that sold in October spent 41 days on the market. That's one week slower than a year earlier and is the longest of any October since 2019. Just over one-third (35%) of homes that sold last month went under contract within two weeks, down from 40.4% a year earlier and the lowest October share since 2019.

Redfin agents say listings often sit on the market because they're overpriced, which has led to a pile-up of stale listings; active listings of homes for sale rose to the highest seasonally-adjusted level in four years last month.

"Buyers have more information than they've ever had about pricing and previous sales, and they want to know that what they're getting is worth it for the price. That's why sellers need to price fairly in this market," said [Cory Kirkland](#), a Redfin Premier agent in Columbus, OH. "Sellers are asking buyers to pay \$500,000 for a home they bought in 2020 for \$350,000 and didn't put any work into, and buyers are saying no."

Just over one-quarter (27.7%) of homes that sold in October went for more than their asking price, down from 31.7% a year earlier and the lowest October share since 2019.

October 2024 Housing Market Highlights: United States

	October 2024	Month-over-month change	Year-over-year change
Median sale price	\$435,313	1.7%	5.2%
Existing home sales, seasonally adjusted annual rate	4,179,346	1.6%	1.7%
Pending home sales, seasonally adjusted	479,799	-1.1%	3.5%
Homes sold, seasonally adjusted	427,259	1.6%	3.4%
New listings, seasonally adjusted	524,358	1.2%	0.7%
Total homes for sale, seasonally adjusted (active listings)	1,682,247	0.0%	11.8%
Months of supply	2.9	-0.3	0.1
Median days on market	41	2	7
Share of homes sold above final list price	27.7%	-0.8 ppts	-4.0 ppts
Average sale-to-final-list-price ratio	98.9%	-0.1 ppts	-0.4 ppts
Pending sales that fell out of contract, as % of overall pending sales	15.5%	1.3 ppts	-0.6 ppts
Monthly average 30-year fixed mortgage rate	6.43%	0.25 ppts	-1.19 ppts

Metro-Level Highlights: October 2024

- **Prices:** Median sale prices rose most from a year earlier in Milwaukee (13.6%), Fort Lauderdale, FL (13.3%) and St. Louis (12.2%). They fell in just two metros: Austin, TX (-3.4%) and San Antonio (-1.3%).
- **Pending sales:** Pending sales rose most in San Jose, CA (32.1%), San Francisco (25.3%) and Oakland, CA (22%). They fell most in Tampa, FL (-24.5%), West Palm Beach, FL (-15.7%) and Fort Lauderdale (-12.3%).
- **Closed home sales:** Home sales rose most in Seattle (26.9%), Sacramento, CA (20.1%) and Portland, OR (18.3%). They fell most in Fort Lauderdale (-16.3%), Tampa (-15.6%) and Miami (-14.1%).
- **New listings:** New listings rose most in Seattle (23.5%), Anaheim, CA (17.5%) and Sacramento (17.4%). They fell most in Tampa (-27.3%), Atlanta (-14.5%) and West Palm Beach (-11.7%).
- **Active listings:** Active listings rose most in Cincinnati (39.7%), Fort Lauderdale (36.6%) and San Diego (36.5%). They fell in two metros: New York (-4.4%) and Atlanta (-1.4%).
- **Sold above list price:** In San Jose, 64.4% of homes sold above their final list price, the highest share among the metros Redfin analyzed. Next came Newark, NJ (62.5%) and San Francisco (60.8%). The lowest shares were in West Palm Beach (6.2%), Miami (9.2%) and Fort Lauderdale (10%).

To view the full report, including a chart, please visit:

<https://www.redfin.com/news/existing-home-sales-rise-most-since-2022>

About Redfin

Redfin (www.redfin.com) is a technology-powered real estate company. We help people find a place to live with brokerage, rentals, lending, and title insurance services. We run the country's #1 real estate brokerage site. Our customers can save thousands in fees while working with a top agent. Our home-buying customers see homes first with on-demand tours, and our lending and title services help them close quickly. Our rentals business empowers millions nationwide to find apartments and houses for rent. Since launching in

2006, we've saved customers more than \$1.6 billion in commissions. We serve approximately 100 markets across the U.S. and Canada and employ over 4,000 people.

Redfin's subsidiaries and affiliated brands include: Bay Equity Home Loans®, Rent.™, Apartment Guide®, Title Forward® and WalkScore®.

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